

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 8140

BILL NUMBER: HB 1750

DATE PREPARED: Feb 19, 1999

BILL AMENDED: Feb 18, 1999

SUBJECT: School accountability.

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FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill has the following provisions: It provides that a school may be accredited by using the criteria for the Malcolm Baldrige National Quality Award for Education rather than under performance based accreditation.

It establishes the education roundtable as a permanent advisory body and working group to make recommendations to the Indiana state board of education on a variety of subjects. It transfers the duties of the state standards task force to the education roundtable. It adds additional benchmarks and indicators of performance to the school corporation annual performance report. It establishes a school accountability program for targeted and continuous school improvement. It requires each school and school corporation to develop an annual strategic and continuous school improvement plan.

It requires the department of education to use a school corporation's annual performance report to assess the improvement of each school in the school corporation. It requires the Indiana state board of education to develop categories of school improvement and place each school in a category. It provides a series of interventions for schools that do not show improvement based on the number of years that improvement is not demonstrated. It provides for creation of a system of recognition and financial awards for schools that demonstrate improvement.

It requires the Indiana state board of education to obtain an independent evaluation of all state education programs and policies that includes recommendations for improvement or restructuring. It repeals the state standards task force law. It repeals a statute under the performance based accreditation law that requires the development of a level of expected performance for each school in light of the school's socioeconomic factors.

Effective Date: July 1, 1999; July 1, 2001.

Explanation of State Expenditures: (Revised) *Creation of the Educational Roundtable:* The Educational

Roundtable is advisory body and working group composed of at least 25 members which is charged with providing recommendations to the State Board on Education on school accountability, the ISTEP program, standards, assessment and accountability programs, and developing a more positive environment for business and education groups to work collaboratively. The roundtable shall review and recommend to the board for the board's approval the educational proficiency statements and standard; the content and format of the ISTEP program including the graduation examination and the passing scores required at various grade levels; and steps that can be taken to implement a quality focused approach to school improvement such as the criteria for the Malcom Baldrige National Quality Award for Education.

Expenses related to the Roundtable would be limited because members who are not state employees would receive only reimbursements for travel and other permitted expenses.

School Accountability Program for Targeted and Continuous School Improvement: Under this procedure, each school principal will be required to develop an annual strategic and continuous school improvement plan. The school board of each school corporation shall review revise and approve the annual plan of each school, develop an annual strategic plan for the school corporation that would, in part, identify state rules that the school board believes are a barrier to school improvement. The State Board of Education would then review the annual plan for each school corporation, and may grant a waiver of any rule for which a waiver is requested in a school corporation's annual plan.

The Department of Education shall assess improvement in schools by comparing each school and school corporation to its own prior performance, compare the actual results in the annual report with the benchmarks and indicators of performance established in the annual plan for the same school and compare the results for substantially the same students by examining the results for each grade with the prior year results for one grade lower after adjusting for student mobility rate. The State Board of Education shall develop and implement a system of recognition and financial awards to reward those schools that move from one category of improvement to a higher category of improvement.

If schools in the lowest category of performance show no improvement in performance indicators over a five year period, the board may use a series of administrative remedies if it determines that intervention will improve the school.

State Evaluation: The State Board of Education would be required to obtain an independent evaluation of all state education programs and policies to strengthen the state accountability program and align the accountability program with state education goals as expressed in the state standards and assessment programs.

No appropriations are included in the bill to pay for the costs of the accountability programs or evaluating current state policies.

Explanation of State Revenues:

Explanation of Local Expenditures: See State Expenditures

Explanation of Local Revenues:

State Agencies Affected: Department of Education; State Board of Education

Local Agencies Affected: School Corporations

Information Sources: